



**Health Services**  
LOS ANGELES COUNTY

**Los Angeles County  
Board of Supervisors**

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First District

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Fifth District

November 8, 2006

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF A DELEGATION OF DUTIES AND ASSIGNMENT  
OF RIGHTS OF A MAINTENANCE AND REPAIR  
SERVICES AGREEMENT  
(2<sup>nd</sup> District) (3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Director of Health Services, or his designee, to execute Amendment No. 4 to Agreement No. H-207634, substantially similar to Exhibit I, approving the delegation of duties and assignment of rights of Sourceone Healthcare Technologies, Inc. (Sourceone) to Merry X-Ray Chemical Corporation (Merry X-Ray) for the continued provision of maintenance and repair services of an imaging processor at Martin Luther King, Jr./Drew Medical Center (King/Drew), retroactive to March 1, 2006 through June 30, 2007 with no fiscal impact.

313 N. Figueroa Street, Suite 912  
Los Angeles, CA 90012

Tel: (213) 240-8101  
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[www.ladhs.org](http://www.ladhs.org)

*To improve health*

*through leadership,  
service and education.*

**PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTION:**

In approving this action, the Board is acknowledging the purchase of Sourceone by Merry X-Ray for provision of maintenance and repair services of imaging equipment at King/Drew. This equipment is vital for the delivery of quality patient care.

**FISCAL IMPACT/FINANCING:**

The terms and conditions and rates of payment remain the same. There is no fiscal impact as a result of this action.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

On July 16, 2002, the Board approved an Agreement with C&A X-Ray for the provision of maintenance and repair services for imaging processors at

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King/Drew. On June 29, 2004, the Board approved the Delegation of Duties and Assignment of Rights to Sourceone and extended the term of the Agreement effective July 1, 2004 through June 30, 2005.

Most recently, on June 14, 2005, the Board approved an extension of the Agreement with Sourceone effective July 1, 2005 through June 30, 2007 and updated the contract provisions.

In a letter dated August 1, 2006, Sourceone advised the Department of Health Services (DHS) that they sold all of the issued and outstanding shares of capital stock of Sourceone to Merry X-Ray on November 18, 2005. Sourceone continued to provide services through the end of February 2006 and Merry X-Ray did not start providing the County contract services until March 1, 2006, following the completion of the paperwork regarding the purchase. The recommended action is retroactive to March 1, 2006.

DHS has had a separate Agreement with Merry X-Ray since August 19, 1997 for the provision of medical x-ray film processor maintenance and repair and chemical services at various DHS facilities.

The Agreement can be terminated at any time by either party providing a 30-day written notice.

Approval of the Assignment and Delegation will permit Merry X-Ray to continue the provision of necessary maintenance and repair services for an imaging processor at King/Drew. There will be no operational impact to County as a result of this action.

County Counsel has reviewed and approved Exhibit I as to form.

Attachment A provides additional information.

#### CONTRACTING PROCESS:

It is not appropriate to advertise delegation and assignment actions on the Los Angeles County Online Web Site.

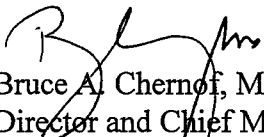
#### IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of this action will ensure the continued provision of maintenance and repair services of an imaging processor at King/Drew.

The Honorable Board of Supervisors  
November 8, 2006  
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When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Bruce A. Chernof, M.D.  
Director and Chief Medical Officer

BAC:av  
SourceOne Delegation & Assignment.AV.wpd

Attachments (2)

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors

SUMMARY OF ASSIGNMENT OF AGREEMENT

1. TYPE OF SERVICES:

Maintenance and repair services of imaging processor equipment.

2. DELEGATION OF DUTIES AND ASSIGNMENT OF RIGHTS:

FROM:

TO:

Sourceone Healthcare Technologies  
8020 Tyler Road  
Mentor, OH 44060  
Attention: Tom Chase  
Telephone: (520) 575-7001

Merry X-Ray Chemical Corporation  
4444 Viewridge Avenue  
San Diego, CA 92123  
Attention: Ester Bagnasco  
Telephone: (858)565-4472

3. TRANSFERRED AGREEMENT AND TERM:

H-207634: July 1, 2005 through June 30, 2007

4. FINANCIAL INFORMATION:

There is no impact as a result of this action.

5. GEOGRAPHIC AREA SERVED:

Martin Luther King, Jr./Drew Medical Center, 2<sup>nd</sup> Supervisorial District

6. ACCOUNTABILITY FOR PROGRAM MONITORING AND EVALUATION:

Facility Administrator

7. RETROACTIVE CONTRACT:

Delegation of Duties and Assignment of Rights of Sourceone to Merry X-Ray retroactive to March 1, 2006.

8. APPROVALS:

Martin Luther King, Jr./Drew Medical Center: Antionette Smith-Epps, M.D., CEO

Contracts and Grants: Cara O'Neill, Chief

County Counsel (approval as to form): Elizabeth J. Friedman, Senior Deputy

**FACT SHEET**

**RE: APPROVAL OF A DELEGATION OF DUTIES AND ASSIGNMENT OF RIGHTS  
OF A MAINTENANCE AND REPAIR SERVICES AGREEMENT**

Second District

**CONTACT PERSON:**

Antionette Smith Epps  
Hospital Administrator  
Telephone: (562) 668-5201

**SUBJECT:**

Delegation of Duties and Assignment of Rights of maintenance and repairs services agreement.

**REQUESTED ACTIONS:**

Approve and instruct the Director of Health Services, or his designee, to execute Amendment No. 4 to Agreement No. H-207634 approving the Delegation of Duties and Assignment of Rights of Sourceone Healthcare Technologies, Inc. (Sourceone) to Merry X-Ray Chemical Corporation (Merry X-Ray) for continued provision of maintenance and repair services of an imaging processor at Martin Luther King, Jr./Drew Medical Center (King/Drew), retroactive to March 1, 2006 through June 30, 2007 with no fiscal impact.

**SERVICES:**

Equipment maintenance and repair services at King/Drew.

**FUNDING:**

There is no change to the funding.

**TERM OF CONTRACT:**

Effective July 1, 2005 through June 30, 2007.

**TERMINATION PROVISIONS:**

The Agreement provides for termination at any time by either party upon the giving of at least 30 calendar days' advance written notice.

**FACT SHEET** (cont'd)

**AUTOMATIC RENEWAL:**

Not applicable.

**FIRST BOARD APPROVED CONTRACTS:**

July 16, 2002

**CURRENT CONTRACT EXPIRATION:**

June 30, 2007

**RETROACTIVE AGREEMENT:**

Retroactive to March 1, 2006.

**REQUEST FOR PROPOSAL (RFP) PROCESS:**

Not applicable.

**SOLE SOURCE JUSTIFICATION:**

Not applicable.

**SMALL BUSINESS WEB SITE:**

Not applicable.

SourceOne Delegation & Assignment.AV.wpd